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UNITED NATIONS

ECONOMIC AND SOCIAL COUNCIL

ECONOMIC COMMISSION FOR AFRICA

Twelfth session
Third meeting of the Conference of Ministers

Nairobi, 24-28 February 1975

RESOLUTION ADOPTED BY THE CONFERENCE OF MINISTERS

267(XII). Investment promotion and industrialization

The Conference of Ministers,

Recalling Commission resolutions 153(VIII) and 154(VIII) of 24 February 1967 and 203(IX) of 14 February 1969,

Recalling also the Declaration on Industrialization in Africa adopted by the Second Conference of African Ministers of Industry 1/ held at Cairo in December 1973 and resolution CM/Res 363 adopted by the Assembly of the Heads of State and Government of OAU at its eleventh session held at Mogadiscio in June 1974 endorsing the Declaration and in particular expressing full support for the recommendation to establish an African Mineral Development Council and the adoption of the intra-African multinational enterprise approach to speed up the process of multinational industrialization,

Noting with appreciation the efforts of the Follow-up Committee on Industrialization in Africa to keep under constant review and to promote the implementation of the decisions of the biennial Conference of African Ministers of Industry,

Further noting in this connexion the report and recommendations adopted by the Committee at its first meeting 2/ held at Addis Ababa in September 1974,

Bearing in mind the Declaration and Plan of Action on the Establishment of a New International Economic Order adopted by the General Assembly at its sixth special session in resolutions 3201(S-VI) and 3202(S-VI) of 1 May 1974 and in particular the recommendation calling for a significant rise in the share of developing countries in world industrial production through a redistribution of existing world industrial capacity and greater industrial processing of raw materials in the developing countries,

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1/ E/CN.14/613.

2/ E/CN.14/INR/211.

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Bearing in mind also General Assembly resolutions 2952(XVII) of 14 December 1972, 3087(XXVIII) of 6 December 1973 and 3306(XXIX) of 14 December 1974 on the convening of the Second General Conference of UNIDO at Lima, Peru, in March 1975, and the Declaration and Plan of Action on Industrial Development and Co-operation adopted by the Group of Seventy-seven 3/ which met in Algiers in February 1975, calling upon the Conference to draw up an International Declaration on Industrialization and a Plan of Action,

Concerned with the general lack of bankable projects due to the small size of national markets, the low purchasing power of Africans and the high cost of industrialization in Africa because of small-scale production and the high-import content of the import-substitute industries so far created,

Further concerned with the lack of progress in multinational industrialization notwithstanding the efforts devoted to promoting and developing the institutions, procedures and criteria required to achieve such progress,

Having considered in this respect the progress report on specialization, complementarity and multinational industrialization in Africa 4/ prepared by the secretariat,

Convinced that multinational co-operation is the most effective instrument for creating large-scale, import-substitute and export-promoting industries,

Noting with appreciation the efforts of the ECA secretariat and of UNIDO aimed at assisting member States to strengthen and improve machinery and procedures for investment promotion and at disseminating information on African investment opportunities and incentive policies,

Encouraged by the role played by the biennial Conference of African Ministers of Industry in defining technical assistance priorities in the field of industry, thus promoting the efficiency and effectiveness of bilateral and multilateral technical assistance delivery,

1. Expresses its appreciation to the Executive Secretary of ECA, the Administrative Secretary-General of OAU and the Executive Director of UNIDO for the assistance rendered to member States in the preparatory work and negotiations for the Second General Conference of UNIDO;

2. Urges member States to be represented at the Conference at the highest policy-making level in the field of industry and, acting on the basis of the guidelines set out in the Declaration on Industrialization of the Second Conference of African Ministers of Industry 5/ and the recommendations of the first meeting of the Follow-up Committee on Industrialization in Africa 6/ to ensure that their views are fully and equitably reflected in the International Declaration on Industrialization and Plan of Action to be drawn up by the Conference;

3/ ID/Conf. 3/22.

4/ E/CN.14/638.

5/ E/CN.14/613.

6/ E/CN.14/INR/211.

3. Calls upon the Executive Secretary of ECA and the Executive Director of UNIDO to intensify their efforts aimed at mobilizing the technical and financial assistance needed to implement the plan of action contained in the Declration on Industrialization adopted by the Second Conference of African Ministers of Industry; 7/

4. Requests the Executive Secretary to initiate consultations with the Executive Director of UNIDO with a view to identifying and drawing up a programme for the development of export industries based on natural resources in the framework of an international redistribution of productive facilities;

5. Urges member States to initiate multilateral consultations on multinational industries in accordance with the recommendation of the Second Conference of African Ministers of Industry 8/ with a view to identifying projects and countries participating in them, designating a host country to undertake investment follow-up action and setting a time schedule for negotiations and implementation;

6. Further urges member States to give high priority to measures aimed at strengthening and developing investment promotion machinery and endorses the establishment of a regional centre for investment promotion and the transfer of technology to foster negotiations with transnational companies and to harmonize investment laws and incentives;

7. Requests UNDP to accord high priority to the implementation of the inter-country projects identified at the first meeting of the Follow-up Committee on Industrialization in Africa; 9/

8. Welcomes the establishment of a Joint ECA/UNIDO Industry Division within ECA as an essential step towards developing a unified programme in industry in Africa and urges UNIDO to strengthen the resources of the Division by seconding staff from its headquarters;

9. Commends the Executive Secretary of ECA and the Director-General of FAO for the joint programmes they have set up to assist member States in the field of industry and in this connexion calls upon the Executive Secretary to intensify his efforts aimed at securing additional resources for activities in the field of industry from bilateral and multilateral donors, including the World Bank;

10. Further requests the Executive Secretary to submit a report on progress made in implementing this resolution to the Conference of Ministers at its fourth session.

183rd meeting,
28 February 1975.

7/ E/CN.14/613.

8/ Ibid.

9/ E/CN.14/INR/211.